



The HIGH ROAD

"Preserving public confidence in public servants."

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Hawaii State Ethics Commission

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COMMISSION ELECTS CHAIR AND VICE CHAIR FOR 1996

The Hawaii State Ethics Commission elected Leolani Abdul as its chairperson and Sharon "Shay" Bintliff as its vice chairperson for 1996. The current members of the Commission are:

Leolani Abdul, Chair
Sharon "Shay" Bintliff, Vice Chair
Arlene Ellis
Bernard LaPorte
Carl Sakata

1996 FINANCIAL DISCLOSURE FILINGS REQUIRE NEW LONG FORMS

State officials and employees who annually file financial disclosure forms with the State Ethics Commission will be required to complete new long forms this year. Previously, filers filled out a long initial form and, for subsequent annual filings, reported changes to their financial interests by using a shorter amendatory form. Unfortunately, this sometimes led to incomplete or inaccurate reporting by filers who used the amendatory form without carefully reviewing all of their reportable financial interests. The amendatory forms also made review of financial disclosure filings more cumbersome.

In 1995, the legislature changed the financial disclosure law. The law now requires all filers to complete a long form of disclosure on even-numbered years. Filers may use a short form of disclosure for subsequent filings on odd-numbered years if their financial interests are substantially the same.

Under the new law, all filers will be required to complete long disclosure forms this year. The

Commission will be mailing the forms and instructions to the approximately 1,600 state officials and employees who must file financial interest disclosures. The filing deadline is May 31, 1996.

REGISTRATION & REPORTING REQUIREMENTS OF THE HAWAII LOBBYISTS LAW

The Hawaii Lobbyists Law is located in Hawaii Revised Statutes chapter 97. The law defines "lobbying" as communicating directly or through an agent, or soliciting others to communicate, with any official in the legislative or executive branch, for the purpose of attempting to influence legislative or administrative action or a ballot issue. The Lobbyists Law is administered and enforced by the Hawaii State Ethics Commission.

The law basically requires two things: 1) all lobbyists must register with the Commission; and 2) lobbyists and other individuals and organizations that meet certain requirements must report their lobbying expenditures and contributions to the Commission. Lobbying expenditures reports are due three times a year. Each report covers a different reporting period.

In addition to these two requirements, the Lobbyists Law forbids a lobbyist from accepting or agreeing to accept any payment in any way contingent upon the defeat, enactment, or outcome of any proposed legislative or administrative action.

Registration of Lobbyists: The law requires all lobbyists to register with the Commission within five days of becoming a lobbyist. In the 1995 legislative session, the definition of "lobbyist" was amended. Under the new law, a lobbyist is any individual who is compensated to lobby and who either spends five hours in any month of a reporting period lobbying or who spends more than

\$750 lobbying in any reporting period. Only individuals register as lobbyists. Companies and organizations are not required to register.

Reporting of Lobbying Expenditures and Contributions: The Lobbyists Law requires certain individuals and organizations (both individuals and organizations are referred to as "people" or as a "person") to report the expenses they incurred as a result of their lobbying effort and also to report the contributions they received for their lobbying effort. Three types of people must file an expenditures report: 1) lobbyists, 2) any person who spends \$750 or more (excluding travel costs) in a six month period lobbying, and 3) anyone who hires a lobbyist.

Reports require the disclosure of information regarding expenditures made for the purpose of lobbying and contributions received from others for the purpose of lobbying. The law specifically states that the expenses involved in preparing written testimony or exhibits for a hearing are not to be considered lobbying expenditures. Thus, these expenses need not be reported.

In the 1995 legislative session, the law referring to reporting periods was amended. As a result of the amendment, the law now requires reports to be filed three times per year. The first report covers the period from January 1 through the last day of February. This report is due March 31. The second report covers the period from March 1 through April 30. This report is due May 31. The last report covers the period from May 31 through December 31. It is due by January 31 of the next year.

The law exempts some people from complying with the Lobbyists Law. The following people are not subject to the Lobbyists Law: 1) individuals who represent only themselves; 2) government employees and officials acting in their official capacities; 3) newspapers, periodicals, or radio or television stations publishing in the regular course of business; 4) attorneys advising their clients on the proposed legislative or administrative action; and 5) those with special knowledge or skills who make an occasional appearance at the request of the legislature, a government agency, or a lobbyist.

Any person who violates the Lobbyists Law shall be guilty of a petty misdemeanor. In the past legislative session, the Commission was given the power to fine those who violate the Lobbyists Law. The Commission may either refer the person to the attorney general or prosecuting attorney for prosecution, or may assess a fine not to exceed \$500. Before a fine may be assessed, the Commission must offer the person a contested case hearing.

The Commission recently published the "Lobbying Registration and Reporting Manual." Anyone who would like more information about the Lobbyists Law should consult this manual or call the Ethics Commission.

***Lobbying Expenditures Report
Reminder: The next report is due
JANUARY 31, 1996. It covers the period
from March 1, 1995 through December
31, 1995. (This was the last reporting
period before the 1995 amendments to
the Lobbyists Law took effect.) The
report must be postmarked or filed in the
Commission's office by January 31,
1996. If you have not already received
an expenditures report form, call the
Ethics Commission at 587-0460.***

The High Road is a publication of the Hawaii State Ethics Commission.

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